

**From:** Seth DiStefano <sdistefano@wvpolicy.org>  
**Sent:** 5/30/2019 8:38:42 AM  
**To:** Roger Hanshaw  
**Subject:** Opportunity Zones and gentrification

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Dear Mr. Speaker,

I wanted to pass along a few resources putting into perspective why I feel HB 113 is not good policy. The first is this paper from Mike Mazerov. It links to several other good resources:

<https://www.cbpp.org/blog/too-soon-for-states-to-consider-opportunity-zone-tax-breaks>

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## Too Soon for States to Consider “Opportunity Zone” Tax Breaks | Center on Budget and Policy Priorities

[www.cbpp.org](http://www.cbpp.org)

I’ve noted that the new federal Opportunity Zone (OZ) tax incentive program will automatically cut state as well as federal taxes for individuals and corporations investing in distressed areas unless states “decouple” the relevant parts of their tax code from the federal code. That’s bad enough, since states will sacrifice revenue to subsidize investments that often occur in

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One of the resources linked in that one pager is this piece from the Institute on Taxation and Economic Policy pointing out the dangers low income communities, particularly communities of color, face from the incentivized gentrification that results from Opportunity Zones. Doubling down with state level incentives, I would argue, will only make this problem worse.

I would recommend allowing some time to see if the Federal law does what its proponents say it will do for low income communities before moving any further with increased incentives and I would absolutely dedicate an interim study to gentrification before moving forward with something like this.

I am happy to discuss any time.

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West Virginia Center on Budget and Policy  
304.642.2004  
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he/him/his

## Email Header:

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